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- (ii) Financial instruments at fixed rate. The fair value of financial assets and liabilities at fixed rate and amortized cost is determined by comparing market interest rates at the moment of their initial recognition with the current market interest rates related to similar financial instruments. These instruments are classified into Level 2 of the fair value hierarchy.
- (iii) Financial instruments held at fair value. The Company carries at fair value only derivative financial instruments, as explained in note 12, considered at Level 2 of the fair value hierarchy.

On the basis of the criteria described above, Management estimates that there are not significant differences between the book value and the fair value of the Company's financial instruments as of December 31, 2014 and 2013.

Following is shown a comparison by category of carrying amounts and fair values of financial instruments of the Company presented in the financial statements:

	Book value		Fair value	
	2014	2013	2014	2013
	S/.(000)	S/.(000)	S/.(000)	S/.(000)
<b>Financial liabilities</b>				
Loans and borrowings:				
Fixed rate loans	120,392	121,337	140,482	139,044
<b>Total</b>	<b>120,392</b>	<b>121,337</b>	<b>140,482</b>	<b>139,044</b>

On the basis of the criteria described above, Management estimates that there are not significant differences between the book value and the fair value of the Company's financial instruments as of December 31, 2014 and 2013.

## 25. Subsequent events

Between January 1, 2015, and the issuance date of the present financial statements May 7, 2015, there have not been any significant subsequent events of financial-accounting nature that could affect the interpretation of the present financial statements.

## 26. Additional explanation for english translation

The accompanying financial statements are presented on the basis of International Financial Reporting Standards. Certain accounting practices applied by the Company, that conform with International Financial Reporting Standards, may differ in certain respects from generally accepted accounting principles in other countries. In the event of any discrepancy, the Spanish-language version prevails.

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